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MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Workload and Staffing of Printing Services Division
(PSD) Office of Logistics

- REFERENCES :
- (a) Memorandum for DD/S from Director of Logistics, dated 8 July 1958, subject: Workload Situation and Personnel Requirements, Printing Services Division, Office of Logistics. (Tab I)
 - (b) Memorandum for DD/S from Chief, Management Staff, dated 20 March 1958, subject: Requirements and Workload in the Administration Building Printing Plant (Admin Plant) (not attached).
 - (c) Memorandum for Director of Logistics from DD/S, dated 8 August 1958, subject: Staffing of Administration Building Plant, Printing Services Division, Office of Logistics. (not attached)

Paragraph 6 of this memorandum contains recommendations for the approval of the Deputy Director (Support).

1. PROBLEM:

To determine how the Printing Services Division, Office of Logistics can best meet its present printing requirements with the minimum practicable increase of personnel.

2. ASSUMPTIONS:

- a. That it is not feasible to attempt to return the Admin. Bldg. Printing Plant to the Government Printing Office (GPO).
- b. That consolidation of the Agency's printing service facilities is not feasible at this time.
- c. That assistance by employees detailed from GPO will continue to be negligible.
- d. That work farmed out in FY 1958 can be excluded from the PSD workload for planning purposes, i.e., that this volume of work will continue to be farmed out in FY 1959.

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3. FACTS:

a. Requirements and Staffing

(1) The volume of Agency printing requirements is not controllable by the Printing Services Division PSD, Office of Logistics. The Director of Logistics states: "An analysis of the printing requirements which make up the workload of the Printing Services Division indicates a marked increase in volume and that the large volume of work now handled will continue as firm requirements" (Tab I).

(2) PSD has 4 printing plants. The Q Building Plant has a current ceiling and on board strength of 12 and the Director of Logistics considers it adequately staffed (Tab I, page 4 paragraph 3). The K Building Plant has a current ceiling of 26, had an average on board in FY 58 of 22 (plus a recent addition of 2, by transfer, with a function, from the Office of Central Reference), and worked 57 hours of overtime in FY 58. The [REDACTED] 25X1A6a and Admin Plants now have a current ceiling of [REDACTED] had an 25X9A2 average on board in FY 58 of [REDACTED] and worked 31,031 hours 25X9A2 of overtime in FY 58. Eighty-three percent of this overtime, or 25,856 hours, was worked on NIS production. See Tab II for details of staffing and workburden.

(3) The Director of Logistics requested, on 8 July 1958, a ceiling increase for PSD of 25 positions (Tab I). The DD/S, on 8 August 1958, authorized an increase of 8 in the ceiling of PSD, to a total of [REDACTED] without any increase in the ceiling of the Office of Logistics** (Reference c), leaving a balance of 27 positions requested. Management Staff has developed a workburden T/O (Tab II) based on: (a) NIS requirements and the NIS production rate in FY 58 (Tabs III & IV); and (b) non-NIS work in FY 58 computed from non-NIS average on board strength plus non-NIS overtime. The workburden T/O shows that, in addition to the 8 already approved, 25 more ceiling positions are needed. Of this 25, however, 20.5 position are needed for one year only to eliminate the excess NIS backlog of 100 sections.

(4) The excessive NIS backlog accumulated during calendar year 1957 as a consequence of various difficulties involved in the takeover of the Admin Plant by CIA (reference b, not attached).

25X9A2 * [REDACTED] Admin Plant 124--including 8 slots authorized by the DD/S on 8 August 1958 (reference c), see paragraph 3a (3).

** The Chief, PSD states that three of the 8 positions are slots previously frozen by the DD/S and the remaining 5 positions have been taken from other components of the Office of Logistics.

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A major continuing difficulty has been the loss of potential employees during the 3 to 4 month pipeline time for getting them on duty. This problem has been partially eliminated by a working arrangement with GPO whereby an individual who has been provisionally cleared will be hired by CIA and detailed to the Government Printing Office which will reimburse CIA for his services. When fully cleared, the employee will be transferred to PSD. If CIA clearance is not granted, but the employee is satisfactory to GPO, he will be hired by GPO without a break in service.

- (5) The Chief, PSD states that, if he is authorized to increase his ceiling by five more positions, which is the increase Management Staff has computed to be required for the present workload, he can absorb the cost for FY 1959 in his currently authorized budget. The positions requested are shown in Tab X.

b. Alternatives to Increasing the Ceiling

(1) Farm-Out

- (a) The Chief, PSD, states that he understands it is Agency policy not to farm-out classified printing, but has never seen a written statement of this policy. He states further, that he and the Director of Logistics talked with Mr. James Harrison, Staff Director of the Joint Committee on Printing, about the possibility of farming out Agency classified printing. Mr. Harrison stated that he believed the Agency should not farm-out any classified printing because Agency printing facilities were approved so that CIA could do all of its own classified printing and because it would strengthen the position of those members of the Joint Committee on Printing who are opposed to the Agency having its own printing facilities. (Tab XII)
- (b) In the proposal of the DCI on November 19, 1956, to the Public Printer that CIA take over the Admin Plant from GPO because the work of the plant was predominately for CIA, and for other reasons, the DCI stated " . . . When the Admin Plant is merged with the Central Intelligence Agency's facilities in a single location no unclassified printing shall be performed by this printing plant except that type of printing which will normally be produced in a Government duplicating plant . . ." In the same letter, he also stated " . . . This Agency intends to continue to rely on the Government Printing Office for its unclassified printing . . ." (underlining added). The DCI also discussed classified printing without stating or implying that the Agency would do all its classified printing (Tab I, 3 of ref. b). The

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Chairman of the Joint Committee on Printing stated, in a letter to the DCI dated January 4, 1957, "... this approval [transfer of the Admin Plant to CIA] is contingent upon the complete observance of all the conditions set forth . . . in your letter of November 19, 1956 to the Public Printer . . ."

- (c) The Deputy Director of Security has reviewed non-NIS Agency recurring printing requirements and prepared a list of unclassified and Official Use Only items which, from the security point of view, can be farmed out commercially or to GPO, subject to regular Agency contracting requirements as applicable. The Deputy Director of Security also states that NIS printing classified CONFIDENTIAL or lower can be farmed out. The General Counsel states that the security controls required by the Office of Security will protect the Agency from libel and property rights litigation as well as do the present internal printing controls (Tab V). The Assistant Director for Basic Intelligence states he has no objection to farming out NIS sections classified CONFIDENTIAL or lower.
- (d) The work which has been approved by the Deputy Director of Security as suitable for farming out totals 101 man years as follows:

	400 NIS Sections	82 man years
25X1A7a	[REDACTED] (unclassified)	11 man years
	Misc. Unclassified (Tab V)	8 man years
		<u>101 man years</u>

- (e) The excess NIS backlog of 100 sections requires 20.5 man years (Tab II). To avoid recruiting permanent employees for this one-time job, 100 NIS sections or equivalent man years of other work could be farmed out.
- (f) During the first quarter of FY 1959, just completed, the Chief, PSD farmed out work at an annual budget rate of \$110,000 which is \$81,000 more than the rate for FY 1958. This increase in farm-out and the continued use of over-time reduced the excess NIS backlog by 25 percent. As of 1 October 1958, the remaining excess NIS backlog was, therefore, 75% of 20.5 man years or 15.4 man years. To eliminate this remaining backlog requires additional budget for the PSD as follows:*

* See Tab VI, based on needs for 20.5 man years of farm-out. Above figures are 75% of those shown in Tab VI.

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25X1A7a

- (1) To farm-out NIS sections: \$246,000
- (2) To farm-out [REDACTED] & Misc.: 207,000

The Director of Logistics states that he cannot absorb any of this additional budget cost. However, the Chief, Budget Division states that, in his opinion, \$144,100 of additional cost can be borne by the Office of Logistics (Tab XI).*

(2) Overtime

Overtime sufficient to eliminate the remaining excess backlog would take 23,000 hours and cost \$143,000, or \$47,667 more than regular time.**

(3) Authority to Exceed Ceiling:

Temporary authority for the Chief, PSD to exceed his ceiling would also provide additional man hours. The Chief, PSD states he would like authority to exceed his ceiling by 10 positions through the end of FY 1960.***

(4) Miscellaneous Considerations

- (a) TECHNOLOGICAL IMPROVEMENTS. The Chief, PSD states that technological improvements under consideration will not effectively increase production before the end of FY 1959. He also states that other technological improvements have been considered but cannot be used in the Admin. Plant, where they are most needed, because of space limitations.
- (b) PRINTING "FRILLS". The Chief, PSD was asked for a list of printing "frills" which he believed could be eliminated and an estimate of the time which could be saved thereby.

* The Chief, Budget Division addressed himself to the request of the Director of Logistics (Tab I) for 35 additional positions, of which 8 have been approved by the DD/S and 5 more are recommended in this paper. He stated that the cost of the remaining 22 positions, "approximately \$144,100 . . . with the understanding that overtime will be substantially reduced . . . can be absorbed by the Office of Logistics . . ."

** Based on the Admin. Plant average salary, FY 1959 budget, of \$6,219 (from Chief, PSD).

*** At 31 August 1958 the Office of Logistics on board exceeded its ceiling by 9 positions.

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His reply is in Tab IX. He concluded that no significant savings would result but believes that elimination of "frills" would contribute to speeding up production.

The Assistant Director for Basic Intelligence states that he has made every effort to simplify requirements to minimize the printing burden. Examples of recent progress in this direction are included in Tab IX.

- (c) CONTROL OF PRINTING REQUIREMENTS. At the present time the budget for printing is developed and justified by the Chief, PSD. Support and operating components provide PSD with general information about their anticipated printing requirements but have no responsibility to justify them in terms of dollars or of the relative importance of printing requirements versus their other support or operating requirements.

4. DISCUSSION:

- a. On the basis of the facts stated above, the Agency is committed to use the Government Printing Office for its unclassified printing and to do its own classified printing, but I find no proof that it is committed to do all its classified printing; indeed, the Deputy Public Printer has agreed to do classified printing for the Agency if required (Tab XII). I am unable to assess the political implications or the hazards of such action which Mr. Harrison, Staff Director of the Joint Committee on Printing, is reported as calling to our attention in paragraph 3. b. (1). (a) above. Although I believe that Agency printing which is highly classified should be printed in Agency facilities, it appears reasonable to consider farming-out work which is not classified higher than CONFIDENTIAL, if this will avoid a temporary increase in ceiling.
- b. The unclassified repetitive printing jobs done by this Agency amount to at least 19 man years (Tab V) which, if farmed out, would assure elimination of the remainder of the excess NIS backlog by 1 July 1959. This would avoid the policy question of farming out any of the 82 man years of CONFIDENTIAL NIS sections. Any overtime worked on the excess NIS backlog would reduce the amount of farming out needed, but to eliminate the entire backlog by overtime would require the same proportion of overtime worked in FY 1958 which the Director of Logistics states is excessive (Tab I, para. 4a & 4f).
- c. The rate of farming out which is necessary to eliminate the excess backlog is over three times the present rate. It will take time to achieve this increase and during this time it is practicable to continue overtime. I estimate that work amounting to 60% of the remaining excess NIS backlog can be farmed out leaving 40% to be done on overtime. The budget cost of farming out this volume of work and completing the rest of overtime is as follows:

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	<u>Misc. Work</u>	<u>NIS Work</u>
Farm-Out, 60%		
Less 75% X \$81,000*	\$124,200	\$147,600
	60,750	60,750
	<u>\$ 64,450</u>	<u>\$ 86,850</u>
Overtime, 40%	\$57,200	
Totals	\$121,650	\$144,050

25X1A7b

Either the [REDACTED] or the NIS figure is within the dollar amount which, in the opinion of the Chief, Budget Division can be absorbed by the Office of Logistics (Tab XI).

5. CONCLUSIONS:

- The increase of 8 ceiling positions in the Printing Services Division, Office of Logistics, authorized by the Deputy Director, Support, on 8 August 1958 has been absorbed within the current ceiling and budget of the Office of Logistics and should be considered permanent.
- The PSD cannot meet regular FY 1959 requirements with its current ceiling and work methods without excessive overtime, in spite of the increase noted in a above.
- In the light of the current tight ceiling situation, it is worthwhile to consider spending more dollars by contracting, where possible, to meet a temporary workload than to further increase the ceiling.
- Sufficient funds are available to provide for eliminating the remaining excess NIS backlog by a combination of farming out 60% of it and doing the remaining 40% on overtime. There is a sufficient volume of unclassified printing to permit this increased rate of farm-out without impingement upon the policy question of farming out classified work.
- Classified printing should not be farmed out until there is a policy clarification which involves appraisal of the political implications of such action and which is beyond the scope of this study.

* Already budgeted for

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6. RECOMMENDATIONS:

I recommend that you approve the following:

- a. That the PSD ceiling be increased by 5, from [REDACTED] at no increase in budget for the PSD for FY 1959 and that, subject to position evaluation action by the Director of Personnel, the positions requested in Tab X be approved. 25X9A2
- b. That the Director of Logistics be directed to increase the farm-out of unclassified printing to eliminate the excess NIS backlog by 1 July 1959 and to substantially reduce overtime, without any increase in budget funds.
- c. That overtime continue to be authorized indefinitely for peak loads and crash requirements.

[REDACTED]
Chief, Management Staff

25X1A9a

Attachments: Tabs I - XI

The recommendations in paragraph 6 are approved:

L. K. WHITE
Deputy Director (Support)

Date

Distribution:

- Orig & 1 - D/Pers. & 1 set attach.
- 2 - DD/S & 1 set attach.
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- 2 - Asst. DD/I (Admin) & 1 set attach.
- 2 - D/L & 1 set attach.
- 1 - Mgt/S comeback

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Concur except am convinced that this will require additional budget funds. Please see attached memorandum [REDACTED]

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